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SUBJECT: PRESIDENT ALIYEV PITCHES AZERBAIJAN AS STRONGER
PARTNER FOR THE U.S. THAN ARMENIA

REF: BAKU 447

Classified By: Ambassador Anne E. Derse per 1.4 (b,d).

- 11. (C) Summary: In a May 24 meeting with CODEL Schiff, President Aliyev outlined Azerbaijan's cooperation with the U.S., highlighting contributions in security, counter-terorrism and energy security, and contrasting them to Armenia's continuing dependence on Russia. He said Azerbaijan seeks greater cooperation with the U.S. and "is ready to go as far as the U.S. is willing to go." Aliyev affirmed his commitment to the Nagorno-Karabakh peace process and characterized the Minsk Group's Basic Principles as "more or less acceptable," with important differences still to be agreed. He made a plea for Azerbaijan's partners to adopt a "just approach" to all three Caucasus countries and encouraged "those who support Armenia" to also be friends of Azerbaijan. In response to Representative Schiff's concerns about media freedom, Aliyev said Azerbaijan does not practice censorship and that the four Azerbaijani journalists were jailed on charges unrelated to their profession. End summary.
- 12. (U) On May 24, President Aliyev reviewed the bilateral relationship and regional issues in a warm, hour-long meeting with CODEL Schiff and Ambassador Derse. Representatives Adam Schiff (D-CA), Allyson Schwartz (D-PA) and Wayne Gilchrest (R-MD), and staff, as well Ambassador Derse and Pol/Econ chief (notetaker) attended the meeting. President Aliyev was accompanied by his International Relations Advisor Novruz Mammadov.
- 13. (C) Schiff explained that the Members of Congress were visiting Azerbaijan in their capacity as members of the House Democracy Assistance Commission, which works with 12 emerging democracies around the world to promote inter-parliamentary exchanges. He thanked Aliyev for Azerbaijan's counter-terrorism cooperation, assistance in Iraq and Afghanistan, and efforts to diversify global energy sources and routes.

BROAD BILATERAL COOPERATION

14. (C) Aliyev responded that Azerbaijan's cooperation with the U.S. was very broad. He was glad to see new developments in the bilateral relationship and said it was necessary to continue our cooperation. He noted that he had just returned from Kyiv and characterized the May 22-23 energy summit as a success. The Baltic states, Poland, Georgia and Ukraine had discussed new routes for Caspian oil and gas. Aliyev commented that energy cooperation is the main catalyst for

development in the region. Azerbaijan had achieved its main goal - developing its own energy resources - and was focused on the development on new transportation routes. Hinting broadly at Russia's grip on European energy markets, Aliyev noted that dependence on one major supplier leads to dependence in other areas. Azerbaijan has enormous reserves and the requisite transportation infrastructure, he said. "Without our participation, none of these new Caspian projects can be realized."

15. (C) Aliyev stressed the importance of our bilateral cooperation in other areas. He highlighted our counter-terrorism and security cooperation, noting that Azerbaijan had recently doubled its troop presence and introduced new training and humanitarian assistance programs in Afghanistan. He also noted our bilateral economic cooperation, stating that he was "satisfied" by the overall level of bilateral cooperation.

INDEPENDENCE IS OUR PRIMARY GOAL

16. (C) Aliyev said that he is striving to create a modern country. Noting that Azerbaijan had lived for centuries as a colony, "independence is our primary goal." Azerbaijan had a very short period of independence in 1918 and faced an almost-similar scenario in 1993, when the country was wracked by separatism, civil war and near total economic collapse. Now, however, Azerbaijan has the most rapidly developing economy in the world, with 96 percent GDP growth over the last four years. The Azerbaijani Government seeks to build a strong, independent country, developing projects that advance

regional and global security, particularly against the "serious threat" of "energy blackmail."

- 17. (C) Stressing that Azerbaijan is a friend of the U.S. and of Europe, Aliyev said that Azerbaijan has the opportunity and the political will to contribute to U.S. and European security goals. Azerbaijan is a member of the EU's neighborhood program and seeks to become closer to Europe "not with empty hands." Aliyev stressed that Azerbaijan does not seek financial assistance from Europe; instead it wants European "standards," particularly with respect to "life, political systems and security."
- 18. (C) Aliyev said that Azerbaijan's unique geography contributed to its unique approach to security. Hinting again at Russia's powerful reach, Aliyev said that unlike other post-Soviet countries, Azerbaijan is not a member of any military organizations. Instead, "we work on our security ourselves." Azerbaijan's increasing ties to Europe builds confidence and protection, Aliyev said; project in all areas are aimed to strengthen Azerbaijan's ties with Euro-Atlantic institutions.

"READY TO GO AS FAR AS THE U.S. IS WILLING TO GO..."

19. (C) Aliyev said that Azerbaijan is "ready to go as far as the U.S. is willing to go" to further expand the bilateral relationship. Azerbaijan made a strategic choice in the mid-1990s to pursue Euro-Atlantic integration and seeks guidance from the U.S. on ways to deepen and expand the relationship. Aliyev stressed that Azerbaijan's neighbors, with a "different history, different culture and different political system" do not pursue close ties to the U.S. He said that Azerbaijan is the only country with both Russia and Iran as neighbors and Azerbaijan had spent much of its history divided between these two powers. Now, 25-30 million ethnic Azeris live in Iran out of a total, global Azeri population of 50 million. We are a big but divided nation, Aliyev said, and we must keep in mind our history. As a matter of policy, Azerbaijan seeks to ensure that the rights of ethnic Azeri populations in Iran, Dagestan and Georgia are protected; Azerbaijan also strives to be a model of prosperity and modernity for its diaspora population. "We

must prove that our path is the right one." Aliyev noted that "from a self-defense point of view, the Russia or Islamic model would have been easier," yet Azerbaijan made a difficult choice to pursue close ties with the West. "Our willingness to be close to the West is not properly evaluated."

ARMENIA IS DEPENDENT ON RUSSIA

110. (C) Turning again to Azerbaijan's "difficult neighborhood," Aliyev said that the "other part of our neighborhood sits on our land. They conducted ethnic cleansing, leaving one million refugees." This situation has continued for almost 20 years, Aliyev said, yet Azerbaijan has managed to develop under these difficult circumstances. Aliyev said that Azerbaijan is starting to feel "jealousy" from its neighbor, as the prospects in Azerbaijan are "much brighter." He noted that having "80 percent of our territory independent is better than having 100 percent of the territory dependent. Our neighbor is 100 percent dependent on its former boss." Aliyev noted that U.S. relations with Azerbaijan's neighbors were an important factor in Azerbaijan's own foreign policies. He said Azerbaijan understands U.S. concerns with Iran's nuclear program. However, given Azerbaijan's 800-kilometer border with Iran, "any destabilization in the region undermines all that we have achieved."

THE NK PEACE PROCESS

111. (C) In response to Representative Schiff's query about the Nagorno-Karabakh peace process, Aliyev affirmed his commitment to the peace process and said "I think we can find a solution." Noting Azerbaijan was continuing negotiations a full 14 years since the cease-fire, Aliyev commented that events in Armenia on several occasions had prevented the two sides from reaching a solution. An act of terrorism in the

Armenian parliament in the late 1990s had ruined prospects for peace at that time. Then-Armenian President Kocharian had told Heydar Aliyev that he "couldn't do anything as the situation is out of control." In Key West, Aliyev said that the Armenians made last-minute changes to the proposed peace deal.

- 112. (C) Noting that he had spent many hours with Kocharian since 2003, Aliyev said he concluded that Kocharian would not sign a peace deal. However, the two sides made progress and "agreed on many issues;" equally importantly, "war did not start." Aliyev said that Kocharian "walked out" at crucial moments, including Rambouillet where Aliyev said Kocharian told him "If I knew we would go so far I would have stopped." Aliyev said it took six months for the talks to resume following Rambouillet, a pause Aliyev attributed to Kocharian's desire to ensure his political succession in Armenia. Aliyev said Kocharian achieved this at the cost of the "loss of innocent lives."
- 113. (C) Aliyev characterized the Minsk Group's Basic Principles as "more or less acceptable" with important details still to be agreed. Aliyev stressed that a solution which does not recognize the territorial integrity of Azerbaijan is "out of question." There will not be independence for Nagorno-Karabakh in 10, 15 or 100 years. Under the current proposal, there is no mechanism for the separation or independence of Nagorno-Karabakh. All territory will be returned to Azerbaijan, five provinces immediately and two later. Azerbaijan's refugees and IDPs will have the right of return, and Nagorno-Karabakh will be granted an interim arrangement that is "more or less legalized."
- 114. (C) Aliyev said that if the two sides can agree on sensitive details especially the corridors "we can sign." He believes that Nagorno-Karabakh should have direct land access to Armenia; however, the status of those land

corridors should be "integral to the territory of Azerbaijan." Aliyev stressed that "that land never was part of Nagorno-Karabakh." Aliyev said he was very pleased that the Basic Principles document appears to be supported by new Armenian President Sargsyan. "If the new President behaves like a statesman and not a politician, then we can agree." Aliyev confirmed that he "probably" will meet new Armenian President Sargsyan on the margins of the June informal CIS summit.

ARMENIA WOULD BENEFIT FROM PEACE

- 115. (C) Aliyev noted that Armenia's geopolitical positions is difficult. Surrounded by Azerbaijan, Turkey and Georgia, Armenia needs peace for its security. He pointed to Armenia's position on a recent UN resolution on Georgian refugees and on the independence of Kosovo as evidence that Armenia "obeyed Putin's orders." Aliyev commented that Armenia hasn't taken full advantage of its independence, relying instead on Russia to ensure its security and energy needs. Armenia also pursues close ties with Iran, Aliyev said, and pointed to Gazprom's recent purchase of the Iran-Armenia gas pipeline as further evidence of Armenia's dependence on Russia.
- 116. (C) Azerbaijan's political, economic and financial position is becoming stronger, Aliyev said. "We are becoming a rich country," and work with the EU and GUAM as partners. Armenia, on the other hand, has the backing of its diaspora and its defense partners Russia, Uzbekistan and Belarus. Armenia "pretends to work with NATO" and "sent drivers to Iraq one year after we sent soldiers." Armenia must decide what it will be in 3-5 years, Aliyev said. "Settlement of the NK conflict is our number one priority," Aliyev said. "We'll never give up and will do our best to find a solution. And if Armenia doesn't agree, we'll continue our efforts. The economic might of Azerbaijan will help us. They could benefit by being friend with us." If the two sides reach a deal on Nagorno-Karabakh and the seven surrounding territories, Aliyev said that Azerbaijan would provide hundreds of millions of dollars to reconstruct Nagorno-Karabakh, "as much as needed."

THE ROCKY ROAD TO DEMOCRACY

- ¶17. (C) In response to media freedom concerns raised by Representative Schiff, Aliyev said that Azerbaijan is committed to democratic principles. Azerbaijan is a "voluntary member of the Council of Europe, where we are always criticized." "This is normal," Aliyev said, "We need to reform." Neither Azerbaijan nor Armenia ever had a political system; we were always governed by "shahs, khans or communists." Aliyev said that Azerbaijan today has "all the attributes of a political system" but the political system is not very strong. "Azerbaijan didn't choose the way of Central Asia or the Middle East; no one talks democracy with those countries. We chose the democratic way," Aliyev said, "and we have good results."
- 118. (C) Aliyev claimed that Azerbaijan has no problems with media freedom. Azerbaijan has "no censorship" and "criminal cases against journalists are not related to their profession." Aliyev said that Azerbaijan is the most democratic country in the region. Undemocratic events surrounding Georgia's recent election including street clashes, the closure of media outlets and the imposition of a state of emergency were not criticized by the West. "We know why and we support this," Aliyev said. Armenia's election was even worse, with the "brutal suppression" of protests, "massive killing of people" and arrest of members of parliament. Yet the international community's reaction was "very muted due to the Armenian lobby," Aliyev said.
- $\underline{\ }$ 19. (C) Aliyev assured the CODEL that events in Georgia and Armenia are "not an excuse for us; the situation here is

stable." However, the contrast between the international community's reaction to events in Georgia and Armenia, and to "small episodes" in Azerbaijan "hurts us," Aliyev said.
Aliyev said that he had released "all Council of Europe political prisoners" but that the four jailed Azerbaijani journalists - including one convicted on bribery charges - "must be brought to justice." (Comment: Three Azerbaijani citizens identified by the Council of Europe as political prisoners remain in jail.) Journalists are not beyond the legal framework, Aliyev emphasized, pointing to "hundreds of newspapers" including opposition papers that publish "aggressive attacks on me" as evidence of Azerbaijan's commitment to media freedom. Aliyev also argued that Azerbaijan's commitment to introducing internet technology in schools was not compatible with alleged media restrictions.

A "JUST APPROACH"

 $\underline{\P}20$. (C) "We are a friendly country and we expect from the West - and particularly the U.S. - a just approach to all three countries," Aliyev said. "There shouldn't be different ratings for the Caucasus countries, "Aliyev continued. "And if these ratings were fair, Azerbaijan would be number one, not number three." Aliyev urged the U.S. to adopt a "unified approach and a proper assessment" of the South Caucasus. He stressed that it is important to express views in a "sincere way;" to that end, it is important for Azerbaijan to have more contact with the U.S. Congress - "particularly those who are friends of Armenia. Being a friend of Armenia is not being not a friend to us." Aliyev stressed that Azerbaijan has not harmed Armenia: "The tragic events of the beginning of the 20th century have no relation to us." We hope to see more Congressmen here, Aliyev said, and proposed that the Azerbaijani and Armenian Ambassadors to Washington host a joint meeting of the two Congressional Caucuses. He noted that the joint visit of Armenian and Azerbaijani intellectuals to Armenia, Azerbaijan and Nagorno-Karabakh had generated greater understanding and good will. "We want those who support Armenia to be friends of Azerbaijan," Aliyev concluded.

COMMENT

¶21. (C) Throughout the warm, cordial meeting, Aliyev was careful never to criticize Armenia by name and to emphasize the benefits to Armenia in terms of securing independence and development if the NK conflict is resolved and Azerbaijan and Armenia can cooperate. However, he clearly saw this meeting as an opportunity to make the case that Azerbaijan is a stronger partner for the U.S. than Armenia, and to make clear his desire to strengthen and expand the bilateral

relationship "as far as the U.S. is willing to go." Aliyev's closest advisors have told us that he is deeply disappointed by recent public criticisms by the U.S. of Azerbaijan's human rights record, particularly in light of recent events in Georgia and Armenia (reftel). This information was supported by Aliyev's plea for a "just approach" to all three Caucasus countries. Aliyev's insistence that Azerbaijan does not have media problems is incorrect and steps to accelerate economic and political reform remain important to strengthening our overall relations. Azerbaijan must acknowledge and begin to deal with its human rights problems in order for this relationship to move forward. Further high-level dialogue with Aliyev is needed to underscore this point.

 $\P22.$ (U) Representative Schiff cleared this message. DERSE